

STAFF REPORT

DATE: FEBRUARY 21, 2012

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: ROD FOSTER, CITY MANAGER

PREPARED BY: ARTHUR W. MORGAN, REDEVELOPMENT MANAGER

SUBJECT: ONTARIO INTERNATIONAL AIRPORT

RECOMMENDED ACTION

It is recommended that the City Council adopt Resolution No. R-05-12 in support of the transfer of Ontario International Airport (ONT) from the Los Angeles World Airports (LAWA) to the City of Ontario for local control.

GOAL STATEMENT

The proposed action will support the City's goal of legislation that strengthens the concept of local control and City input on regional land use and planning issues.

BACKGROUND

In a letter dated January 9, 2012, attached to this staff report, the City of Ontario ("Ontario") is requesting the City of Colton's support to gain local control of Ontario International Airport. ONT is currently operated by Los Angeles World Airports (LAWA), a City of Los Angeles agency, under terms of a Joint Powers Agreement.

During the 1960's, ONT often accommodated airplanes diverted from Los Angeles International Airport ("LAX") when that facility was fogged in. Consequently, the cities of Ontario and Los Angeles felt it would be in the best interest of the greater Southern California area if Los Angeles took responsibility for operating the airport since Los Angeles had airport operations expertise and crucial airline relationships. To that end, the two cities entered into an agreement in 1967.

Based on a study commissioned by Ontario over the past four years, ONT has lost over one-third of its passenger traffic, costing the Inland Empire economy \$500 million annually in addition to 9,250 jobs. The study stated that if ONT was under local control, ONT can more quickly rebound and position itself for achieving long-term market share growth, as other regional airports under local control in the southland have done over the past decade. Ontario recently embarked on a public relations campaign known as "Set Ontario Free" in an effort to educate the public regarding the economic decline of ONT and the effect of that decline on the local economy.

Staff Report to Honorable Mayor and Council Members Resolution in Support of ONT to City of Ontario February 21, 2012 Page 2

ISSUES/ANALYSIS

The City of Ontario has offered to purchase ONT from the City of Los Angeles for \$50 million and assume all responsibilities, liabilities and risk associated with the operation of the airport. LAWA declined Ontario's offer to assume control of ONT. Therefore, Ontario is now dealing directly with the Mayor and City Council of Los Angeles, and is seeking support from cities and agencies in the Inland Empire for local control of ONT.

In September 2010, the Southern California Association of Governments (SCAG) Regional Council enacted a resolution recommending the transfer of ONT to local control as being in the best interests of Los Angeles and the greater Southern California area. SCAG stated that under local control, ONT can recover from the economic downturn of the past several years while positioning itself for long-term growth, consistent with the reorganization of Inland Empire air traffic contemplated in SCAG's Regional Transportation Plan.

In November 2010, the Alliance for a Regional Solution to Airport Congestion urged the Los Angeles Board of Airport Commissioners to transfer ONT airport management decisions to the local Ontario area in pursuit of an inland regional airport system to address ONT patronage decline and regional service demands.

In January 2011, the Los Angeles Economic Development Corporation (LAEDC) called on LAWA to shift control of ONT, as well as the responsibility and risk that comes with that control, to another entity. That recommendation was made to allow LAWA to focus more of its energy on modernizing Los Angeles International Airport.

Stated within the Ontario study, local control of ONT would help ensure the future planning for adequate airport capacity and infrastructure while addressing the impact on the local communities of the Inland Empire. Regional airports have a high degree of success because the sponsoring communities have a vested interest in the airport, making the greatest contribution to their region's economy. Other airports that have local control include Burbank, Orange County, Long Beach and Palm Springs.

FISCAL IMPACTS

There is no fiscal impact associated with the staff recommendation. Local control of ONT could result in millions of dollars in economic benefit to the Inland Empire.

ALTERNATIVES

The City Council may wish to consider the following alternatives:

- 1. Not approve the attached Resolution.
- 2. Provide alternative direction to staff.

ATTACHMENTS

- (1) Resolution No. R-05-12
- (2) City of Ontario Letter dated January 9, 2012

RESOLUTION NO. R-05-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLTON IN SUPPORT OF THE TRANSFER OF ONTARIO INTERNATIONAL AIRPORT FROM THE LOS ANGELES WORLD AIRPORTS TO THE CITY OF ONTARIO FOR LOCAL CONTROL

WHEREAS, on May 3, 2011, the City Council of the City Colton adopted the 2011 Colton Legislative Program as a means to be affirmatively involved in legislative advocacy to promote the specific interests of the City of Colton; and

WHEREAS, the purpose of the 2011 Colton Legislative Program is to provide a vehicle for the City Council and staff to affirm stated legislative directives in the most efficient and effective way; and

WHEREAS, a stated directive within the 2011 Colton Legislative Program is to support local control over the administration of local programs, and ensure local City input on all regional land use and planning issues; and

WHEREAS, on September 2, 2010, the Southern California Association of Governments ("SCAG") Regional Council enacted a resolution recommending the transfer of Ontario International Airport ("ONT") to local control as being in the best interests of Los Angeles and the Southern California region; and, is consistent with the reorganization of air traffic contemplated in SCAG's Regional Transportation Plan; and

WHEREAS, on November 29, 2010, the Alliance for a Regional Solution to Airport Congestion ("ARSAC") urged the Los Angeles Board of Airport Commissioners to transfer ONT airport management decisions to the local Ontario area in pursuit of a regional airport system that can better address ONT patronage decline and regional service demands; and

WHEREAS, on January 7, 2011, the Los Angeles Economic Development Corporation ("LAEDC") called on Los Angeles World Airports ("LAWA") to shift control of ONT, as well as the responsibility and risk that comes with that control, to another entity so LAWA can focus more of its energy on modernizing Los Angeles International Airport; and

WHEREAS, in a letter dated January 9, 2012, the City of Ontario has requested support from the City Council of the City of Colton in their bid to gain local control of ONT; and

WHEREAS, the City of Ontario's request for support for local control of ONT is in line with the 2011 Colton Legislative Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLTON:

SECTION 1. Support for local control of ONT reflects the adopted directives contained within the 2011 Colton Legislative Program.

1	
2	SECTION 2. The City Council hereby supports the transfer of ONT to the City of Ontario for local control in furtherance of airport regionalization and the region's local economy.
3	SECTION 3. The City Council requests that the cities of Los Angeles and Ontario
4	commit the necessary resources and effort to affect the transfer of ONT to the City of Ontario local control at the earliest possible date. SECTION 4. The City Council hereby directs the City Manager to communicate to action of the City Council to the Mayors of Los Angeles and Ontario, the Acting Administrator
7	
8	PASSED, APPROVED AND ADOPTED this 21st day of February, 2012.
9	
10	SARAH S. ZAMORA
11	Mayor .
12	ATTEST:
13	
14	EILEEN C. GOMEZ, CMC
15	City Clerk
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	

1	CITY OF COLTON CITY CLERK'S CERTIFICATE
2	STATE OF CALIFORNIA) COUNTY OF SAN BERNARDINO)ss.
4	CITY OF COLTON)
	I, Eileen C. Gomez, City Clerk of the City of Colton, California, do hereby certify that
5	the foregoing is a full, true and correct copy of RESOLUTION NO. R-05-12, duly adopted by
6	the City Council of said City, and approved by the Mayor of said City, at its Regular Meeting of
7	said City Council held on the 21st day of February, 2012, and that it was adopted by the
8	following vote, to wit:
9	
10	AYES:
11	NOES:
12	ABSENT:
13	ABSTAIN:
14	IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Colton, California, this day of , 2012.
15	the City of Conon, Camorina, thisday of, 2012.
16	
17	EILEEN C. GOMEZ, CMC
18	City Clerk City of Colton
19	
20	(SEAL)
21	
22	
23	
24	
25	
26	
27	
28	
- 11	

CITY OF

303 EAST "B" STREET, CIVIC CENTER

ONTARIO



January 9, 2012

ONTARIO

CALIFORNIA 91764-4105

(909) 395-2000 FAX (909) 395-2070

RECEIVED

CHRIS HUGHES
CITY MANAGER

JAN 1 7 2012

MARY E. WIRTES, MMC

CITY OF COLTON CITY MANAGER

JAMES R. MILHISER TREASURER

PAUL S. LEON MAYOR

SHEILA MAUTZ MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
DEBRA DORST-PORADA
COUNCIL MEMBERS

City of Colton Rod Foster, City Manager 650 North La Cadena Drive Colton, CA 92324-2893

Dear Mr. Foster:

The City of Ontario requests your support of our commitment to gain local control of Ontario International Airport (ONT). Located within the city limits of Ontario, ONT is currently operated by Los Angeles World Airports, a City of Los Angeles agency, under terms of a Joint Powers Agreement.

Over the past four years, ONT has lost over one-third of its passenger traffic, costing the Inland Empire economy \$500 million annually and 9,250 jobs. Under local control, ONT can more quickly rebound and position itself for long-term market share growth, just as other regional airports under local control in the southland have achieved over the past decade.

The enclosed USB flash drive contains a short video clip and support materials that will provide you an overview of our campaign for local control. Additionally, the USB flash drive contains a sample resolution. We ask that your governing body consider approving a similar support resolution at the next opportunity. Please send a copy of the approved resolution to Paul S. Leon, Mayor, City of Ontario; Antonio Villaraigosa, Mayor, City of Los Angeles; Michael Huerta, Acting Administrator, Federal Aviation Administration, as well as to your state and federal representatives.

Further information is available at www.SetONTarioFree.com or on Facebook at "SetONTarioFree". Should you have any additional questions, please feel free to contact Chris Hughes, City Manager, (909) 395-2555.

Thank you for your attention and consideration.

Paul S. Leon, Mayor

Sheila Mautz, Mayor pro Tem

Alan D. Wapner, Council Member

im W. Bowman, Council Member Debra Dorst-Porada, Council Member